

THE SALES PROMOTION EMPLOYEES (CONDITIONS  
OF SERVICE) AMENDMENT ACT, 1986

No. 48 of 1986

[23rd November, 1986.]

An Act further to amend the Sales Promotion Employees (Conditions  
of Service) Act, 1976.

BE it enacted by Parliament in the Thirty-seventh Year of the Re-  
public of India as follows:—

Short  
title and  
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ment.  
Amend-

1. (1) This Act may be called the Sales Promotion Employees  
(Conditions of Service) Amendment Act, 1986.

(2) It shall come into force on<sup>1</sup> such date at the Central Government  
may, by notification in the Official Gazette, appoint.

ment of  
section 2.

2. In section 2 of the Sales Promotion Employees (Conditions of  
Service) Act, 1976 (hereinafter referred to as the principal Act), for  
clause (d), the following clause shall be substituted, namely:—

11 of 1976.

‘(d) “sales promotion employees” means any person by whatever  
name called (including an apprentice) employed or engaged in any  
establishment for hire or reward to do any work relating to promo-  
tion of sales or business, or both, but does not include any such  
person—

(i) who, being employed or engaged in a supervisory  
capacity, draws wages exceeding sixteen hundred rupees per  
mensem; or

(ii) who is employed or engaged mainly in a managerial or  
administrative capacity.

*Explanation.*—For the purposes of this clause, the wages per  
mensem of a person shall be deemed to be the amount equal to  
thirty times his total wages (whether or not including, or comprising  
only of, commission) in respect of the continuous period of his  
service falling within the period of twelve months immediately  
preceding the date with reference to which the calculation is to be  
made, divided by the number of days comprising that period of  
service;’

<sup>1</sup> 6-5-1987 : *Vide* Notification No. S. O. 458 (E), dated 5-5-1987, Gazette of India, Extra-  
ordinary, 1987, Part II, Section 3 (ii).

3. Section 4 of the principal Act shall be re-numbered and shall be deemed to have been re-numbered with effect from the 8th day of March, 1976 as sub-section (1) thereof, and—

Amend-  
ment of  
section 4.

(a) in sub-section (1), as so re-numbered, in the opening portion, the words and brackets "drawing wages (being wages, not including any commission)" shall be omitted;

(b) after sub-section (1), as so re-numbered, the following sub-sections shall be inserted and shall be deemed to have been inserted with effect from the 8th day of March, 1976, namely:—

"(2) The maximum limit up to which a sales promotion employee may accumulate earned leave shall be such as may be prescribed.

(3) The limit up to which the earned leave may be availed of at a time by a sales promotion employee and the reasons for which such limit may be exceeded shall be such as may be prescribed.

(4) A sales promotion employee shall,—

(a) when he voluntarily relinquishes his post or retires from service, or

(b) when his services are terminated for any reason whatsoever (not being termination as punishment),

be entitled to cash compensation, subject to such conditions and restrictions as may be prescribed (including conditions by way of specifying the maximum period for which such cash compensation shall be payable), in respect of the earned leave earned by him and not availed of.

(5) Where a sales promotion employee dies while in service, his heirs shall be entitled to cash compensation for the earned leave earned by him and not availed of.

(6) The cash compensation which will be payable to a sales promotion employee or, as the case may be, his heirs in respect of any period of earned leave for which he or his heirs, as the case may be, is or are entitled to cash compensation under sub-section (4) or sub-section (5), as the case may be, shall be an amount equal to the wages due to such sales promotion employee for such period."

4. In section 6 of the principal Act, after sub-section (6), the following sub-section shall be inserted, namely:—

Amend-  
ment of  
section 6.

"(7) Notwithstanding anything contained in the foregoing sub-sections,—

(a) in the application of any Act referred to in any of the said sub-sections to sales promotion employees, the wages of a sales promotion employee for the purposes of such Act, shall be deemed to be his wages as computed in accordance with the provisions of this Act;

(b) where an Act referred to in any of the said sub-sections provides for a ceiling limit as to wages so as to exclude from the purview of the application of such Act persons whose wages exceed such ceiling limit, such Act shall not apply to any sales promotion employee whose wages as computed in accordance with the provisions of this Act exceed such ceiling limit.”.

Amend-  
ment of  
section 12.

5. In section 12 of the principal Act, in sub-section (2), in clause (a), after the words “sales promotion employee”, the words “the limit up to which he may accumulate earned leave, the limit up to which he may avail of earned leave at a time and the reasons for which such limit may be exceeded, the conditions and restrictions subject to which he may be entitled to cash compensation” shall be inserted and shall be deemed to have been inserted with effect from the 8th day of March, 1976.